

RURAL ARKANSAS TELEPHONE SYSTEMS, INC.

PO BOX 608  
DANVILLE, AR 72833

August 24, 2011

Marlene H. Dortch  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

**Re: WC Docket Nos. 10-90, 07-135, 05-337 and 03-109, GN Docket No. 09-51 and CC Docket Nos. 01-92 and 96-45; Connect America Fund, a National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Support, Developing a Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-up**

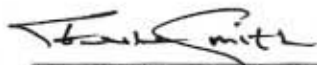
Dear Ms. Dortch:

The Rural Arkansas Telephone Systems writes in support of the Universal Service Fund/Intercarrier Compensation/Connect America Fund reform proposal for rural rate-of-return incumbent local exchange carriers (RLECs) offered by the National Telecommunications Cooperative Association (NTCA), the Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO), and the Western Telecommunications Alliance (WTA) (collectively, the Associations) to the Commission on April 18, 2011, and as modified on July 29, 2011 (the RLEC Plan). This Plan incorporates a balance of mechanisms intended to enable adequate cost recovery for RLECs while enabling the deployment and maintenance of broadband and broadband-capable networks. These cost recovery mechanisms are aligned with the Commission's interest in constraining growth of high-cost support funds, and are designed to be implemented in complementary fashion with the America's Broadband Connectivity (ABC) Plan filed by large and mid-size carriers, also on July 29, 2011 (collectively, the Consensus Framework). In this regard, the Rural Arkansas Telephone Systems urges the Commission to refrain from modifying elements of the Consensus Framework, including, but not limited to, reductions in the amount of support; the imposition of any hard cap on high-cost support; or adjustments that would affect adversely RLECs ability to obtain compensatory resources

from an intercarrier compensation restructuring mechanism. The carefully crafted compromises made by the Rural Associations were tuned to meet specific objectives that enable adequate cost and revenue recovery and encourage regulatory certainty. Adjustments to the Consensus Framework that affect those interests adversely could undermine the overall effectiveness of the Consensus Framework, thereby eliminating not only industry confidence in an acceptable reform solution, but also investor confidence that enables the injection of necessary private capital to support networks where no business case can be made.

The Rural Arkansas Telephone Systems members serve the rural areas where no other provider ventures as the carrier of last resort. The RLEC Plan, as amended by the Consensus Framework, facilitates the ongoing nature of that role, and the Rural Arkansas Telephone Systems therefore urges the Commission to adopt and implement it without modification.

Respectfully submitted,



Steve Smith, President  
Rural Arkansas Telephone System

Rural Arkansas Telephone Systems Members:

Arkansas Telephone Company  
Central Arkansas Telephone Cooperative  
Madison County Telephone Company  
Magazine Telephone Company  
Northern Arkansas Telephone Company  
Pinnacle Communications  
Prairie Grove Telephone Company  
Rice Belt Telephone Company  
South Arkansas Telephone Company  
Southwest Arkansas Telephone Cooperative  
TDS Telecom  
Walnut Hill Telephone Company